

A Quick Guide to the Conference Papers

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June 7, 2004

Below is a brief summary of the background papers and scenarios to help you to map out the arguments and proposals. Let me immediately claim responsibility for all errors and mis-attributions.

What's wrong with the existing agricultural regime?

Kevin Watkins' paper makes two powerful arguments for revising the current agricultural trade regime. It's costly and damaging

flexibility has been hard-won in the WTO, some countries will find that space extinguished by blanket World Bank trade liberalization conditions.

The G20 could spearhead an improvement in capacity building and technical assistance by: (1) committing to untie (in a broad sense) capacity building assistance; (2) by increasing (properly used) resources for capacity building; (3) by better allocating functions and ensuring coherence among different international organizations.

Do we need to reform the WTO?

Amrita Narlikar's paper examines the negotiating forum provided by the WTO arguing that it lacks clear procedures. Cancun highlighted disagreement from the start about who sets the agenda and how? Countries rejected attempts by the Chair of General Counsel together with Director-General to proceed on an initial 'Castillo draft'. The negotiating process foundered over what 'explicit consensus' meant and how it should be reached. The use of facilitators ("Friends of the Chair") in trying to bring about consensus was highly controversial. Finally, the closure of negotiations by the Conference Chair (Derbez) highlighted gaps in formal rules of procedure.

Narlikar argues that developing countries cannot gain from flexible rules which leave room for discretion to pursue consensus through informal meetings (8-country proposal) or procedures which give more role to politicians forging compromises establish consultative body (Lamy and EU). This may produce a more decisive organization but it will seriously marginalize developing countries who lack the capacity informally to lobby and to press positions across the bewildering breadth of issues now raised within the WTO. The solution therefore must be to press for strict procedural rules to ensure decisions are taken in formally representative and fully transparency forums (the Like-minded Group and others) and to accept that this requires narrowing the remit of the WTO. This would place the negotiating process more squarely in Geneva amidst technocrats and professionals. The proposal is therefore a considerable challenge for the G20 Leaders-idea since at least some of those leaders are more likely to favour a broad discretionary regime which gives

proposes differentiated commitments for developing countries, with flexibility in agriculture, and effective technical assistance to improve the institutional and technical capabilities of countries to design and implement their own food-safety policies. She also stresses the need for improved transparency and monitoring mechanisms to allow equal enforcement of the rules.

(NB useful table at the back of this paper categorizing positions of different groupings of countries on issues of agricultural reform)

2. A special regime for low-income countries

Dominique Njinkeu and Francis Mangeni give a more specific account of what a special regime meeting the special needs of low-income countries would look like. They advocate more careful and differentiated reforms in market access, domestic support, and export competition, along with greater assistance and better role definition among multilateral institutions.

3. NO! Liberalize with the right domestic policies in place

Patrick Messerlin reminds us of the 2002 US Farm Security and Rural Investment Act and recent EU reforms to the Common Agricultural Policy – highlighting that budgetary pressures will bring both to review over the next few years. He reports the results of simulations of farm liberalization – highlighting the gains for agricultural producers in developing countries. He argues that the figures show that liberalization will not reduce food security or generate price increases (cf Watkins, Konandreas). Liberalization should be pursued with an appropriate array of domestic policies and actions (infrastructural investments, credit markets etc). On three core issues he takes a different position to that of most other authors:

- Market access, he argues, is best dealt with using the ‘Swiss formula’ (Panos Konandreas disagrees – see below).
- On abolishing export subsidies, he treads more softly than the other commentators, saving his vigour for greater curbing of domestic support.
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- Clarity on SDT provisions
- Clarity on flexibility allowed and associated penalties

5. Recognize (and better regulate) the power of concentrated agribusiness

Sophia Murphy calls for more attention to (and eventually more regulation of) transnational agribusiness. She highlights that agricultural dumping and low prices will continue at damaging levels under the present international trade regime. One important reason is the special structure of agricultural markets which are slow to respond to changes in price, are highly concentrated in their structures, and command politically powerful lobbies especially in developed countries. It is against this background that trade liberalization measures and advice must be considered. She adds a couple of proposals which others have not addressed, amidst which:

- the WTO must not prohibit State-Trading Enterprises – since they constitute a useful response to concentrated markets.
- governments need dramatically to improve transparency in international commodity markets (developed countries removed UNCTAD's mandate to do this in the 1980s).
- investment and competition rules must be part of the long-term framework on agriculture.

The G20 and how it might forge ahead

John Weekes analyses the who and how of the G20 involvement in the Doha Round. He argues that existing pressures for reform could be effectively harnessed, proposing a specific composition of a G20 meeting on this issue and a timetable for how they might move forwards on it.